

Case Studies

Different Economic Concepts and Systems

Directions: Read each scenario. Then, in the space provided or on the back of the sheet, write whether the scenario suggests a traditional, market, or command economic system, and explain why.

Case 1

The Grade 12 graduating class wants to sell refreshments at the snack bar during the sporting events during the school year. They submitted a proposal to the SRC and Local School Board to sell soft drinks, candy, trail mix, popcorn, and other snacks for prices yet to be determined. The SRC and School Board accepted the proposal as long as the Grade 12's agreed to pay a rental fee for the space where the snack bar would be set up. Other than that, they were allowed to operate the snack bar however they wished.

What type of economic system does this scenario suggest, and why?

Case 2

Your class makes a proposal to sell hot dogs, hamburgers, and other refreshments at sporting events. The local School Board agrees. A representative from the School Board Office arrives and provides the class with a list of foods to purchase for the refreshment stand, as well as the amount of food to purchase and the prices that your class must charge. Your class must also agree to buy all of the food and supplies from a company that has other contracts with the school.

What type of economic system does this scenario suggest, and why?

Case 3

The school wants to purchase some new computers but there is no money in the budget for computers. The students suggest that they hold several car washes to raise money, as they have done successfully in the past. They ask for volunteers to donate supplies, space, and time for the car wash. Several teachers also offer to help out over the weekend.

What type of economic system does this scenario suggest, and why?